

THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY



8 - 10 APRIL 1964

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~~TOP SECRET~~

10 April 1964

1. **Brazil:** The military show no signs of being ready at this time to step down from the stage and return control to the civilian politicians.

Brazilian congressional leaders, under heavy military pressure, apparently have agreed to elect General Castello Branco as provisional president. The vote is expected this weekend.

On 9 April, War Minister Costa e Silva promulgated an "institutional act" which he says will remain in effect until January 1966. It suspends certain constitutional guarantees and gives the revolutionary leaders the authority they have been seeking to proceed against elements in Congress, the government, and the military.

He did not wait for congressional approval, which might have been obtained, suggesting that the key figures now see no need to seek "legitimacy" through Congress. At least two Congressmen were arrested on the 9th and dozens more are on the military's list.

Ambassador Gordon is concerned that the antisubversive campaign may go too far. Some Brazilians, naturally enough, are also worrying about the regime's overly vigorous roundup of suspects. Mexican President Lopez has said he fears that Brazil is headed for a military dictatorship and a totalitarian regime.

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2. Cyprus: Turkey [redacted] may ask for an urgent Security Council meeting on the question of the Turkish Army contingent on Cyprus.

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Last weekend, the UN command announced that it would set about clearing all major roads of roadblocks and fortifications. This was to be done by Thursday, but all efforts to persuade the Turkish contingent to relinquish their hold on the Nicosia-Kyrenia road have proved unavailing. The Turks, on shakier legal grounds than Makarios in this case, apparently hope to beat Makarios to the punch in the Security Council.

Inonu has warned Makarios that Turkey will take all necessary steps in the face of any action or aggression to deprive it of its rights under the 1960 Treaty of Alliance, which Makarios abrogated last week. The Turks make a clear distinction between their treaty rights to intervene in behalf of the Turkish Cypriots, which they have so far chosen not to exercise, and their obligation to react instantly to any attack against Turkish troops on the island.

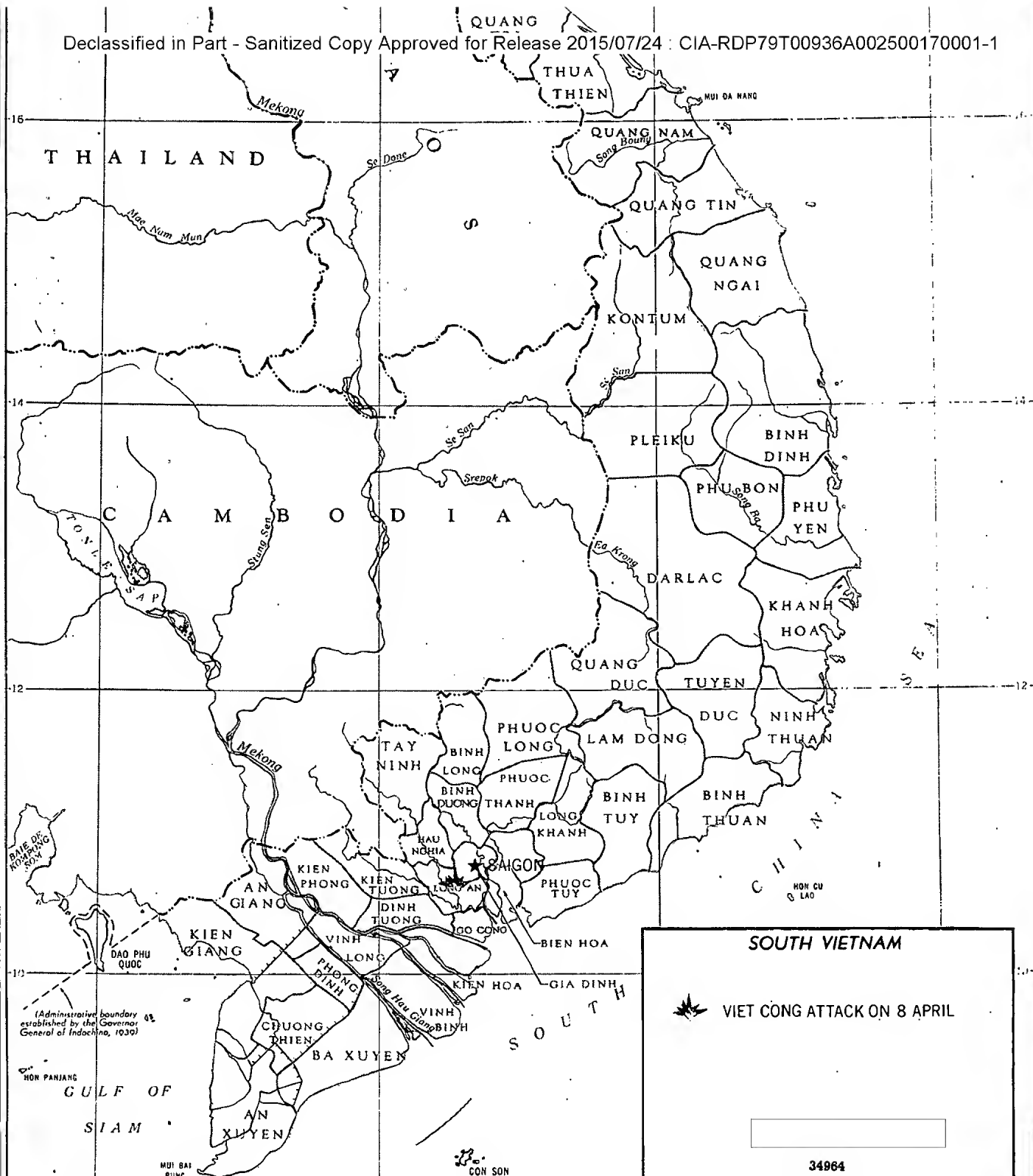
The Turks are coming to feel that all is lost in Cyprus and may be moving to settle the issue in the context of Greek-Turkish relations. Three hundred more Greeks in Turkey have been given 15 days to liquidate their businesses and leave their jobs.

Makarios is due to arrive in Greece on 11 April. Much of his talk with the Greeks will be on the growing pressures for Cypriot union with Greece. Makarios is unlikely to see any benefit for himself in union [redacted]

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Demonstrations have continued among Greek Cypriots for the return from Athens of former underground leader, George Grivas. Grivas is said to have indicated his intention to return, despite the opposition of Makarios and the Greek Government. The Communists are now putting it about that the "imperialists" are behind Grivas and the move for union.

Only sporadic fighting has occurred on the island in the past few days.

3. South Vietnam: Former junta leader General Duong Van Minh may yet give the Khanh regime some trouble.

He claims Khanh is making the same mistakes that Diem made and that the US cannot win by backing the present regime. Minh, obviously bitter over losing control himself, may still feel he has a significant military following. He is indeed a popular officer and could become a focal point for Khanh's critics.

The Viet Cong is keeping up pressure on the regime. The incident rate has stayed above 400 a week since early last month, well over the average of the past two years. Wednesday's raid on a military training center only 15 miles from Saigon netted the Communists a nice haul of small arms and equipment. It was followed by the ambush on Thursday of a government battalion in the delta.

The Communists are beginning to act like a de facto government in guerrilla-infested Quang Ngai. In this province, small Viet Cong bands enter government hamlets, "eliminate" the local leaders, and begin issuing directives to the residents.

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The picture is not all black, however; government action in some provinces is getting results, slow and painful as the going may be. The French charge in Saigon has volunteered that Khanh seems to be getting better control of himself and his government.

4. Zanzibar: The Zanzibar Government may soon expel all US representatives.

some 3,500 Zanzibaris, led by government officials, demonstrated before our embassy. Their posters called for the closing of the embassy and stated "the Americans are our greatest enemies."

President Karume, in addressing the crowd, guaranteed that the NASA space tracking station would be expelled within 17 days. Earlier this day our charge had received assurances that a 60-day time limit set earlier in the week for the station's removal still held.

5. Gabon: In next Sunday's elections we expect Leon Mba and his French helpers to stuff the ballot boxes even in cases where Mba's men would win anyway.

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This will set off the opposition, which has been at hair trigger ever since the French plucked Mba out of the bush in February and restored him to the presidential chair.

The French are saying, for our benefit at least, that once the elections are over, Mba will be on his own. They anticipate that once French troops are removed Mba will have to compromise with his opponents, something neither Mba nor the French have encouraged so far.

We doubt that these opponents would accept anything except his ouster. Ambassador Darlington thinks that Mba will be forced to go "sooner rather than later."

6. Burma: Ne Win is plunging ahead with his xenophobic program to socialize the country and rid it of foreign influences.

Yesterday he extended the nationalization of wholesale and retail concerns from Rangoon, where they were taken over last month, to the rest of Burma. Most affected by these steps are Indian and Chinese businessmen; the former are leaving Burma at the rate of 150 a day.

All of this bears more than a superficial resemblance to the Indonesian action against foreign shopkeepers several years ago.

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Last week the Burmese leader forced the closing of USIA and British Council libraries as well as the Burmese-American Institute.

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7. Nationalist China - Communist China:

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8. Pakistan:

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9. Indonesia-Malaysia: Senior British officers in Malaysia are seeking London's approval to strike Indonesian supply and communications lines along the Sarawak border.

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10. Afro-Asian Conference: A preparatory meeting for an Afro-Asian heads-of-state conference--Bandung II--began in Indonesia on 10 April. Sukarno and the Chinese Communists are pushing it in competition with the nonaligned get-together--Tito, Nasir, Nehru et al--scheduled for Cairo in October. The nonaligned chiefs hope to put off a full-scale Bandung affair until next year. (Bandung I was in 1955)

11. USSR-Space:

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12. Argentina: The government is worried over a possible resurgence of guerrilla activity in the north-west. [redacted] guerrillas, along with a quantity of supplies, were picked up near the Bolivian border last month. [redacted]

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13. Cuba: [redacted]

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14. British Guiana: The pro-Jagan union has again resorted to violence in pressing its so far unsuccessful effort to wrest control of the sugar workers from an anti-Jagan union. The latter is threatening reprisals. In Jagan's People's Progressive Party, dissension between extremist and moderate factions is growing, with Jagan's own sympathies and indeed control over the party unclear.

15. Chile: Radical Senator Duran's decision to re-enter the presidential campaign may help rather than hurt the chances of left-wing candidate Allende. Leftist members of Duran's Radical Party are likely to vote for Allende anyway, and Duran may only pull his party's conservative votes away from the Christian Democratic candidate, Eduardo Frei.

16. Mexico-China: An official seven-man Mexican trade delegation is visiting the Far East to look in- to opportunities for expanding trade, including trade with Communist China. In fact, the primary purpose of the trip, probably, is to arrange for a Mexican trade fair in Peiping and to establish a permanent Mexican trade commission there. Cuba is the only Latin American country which now has such an office in Communist China.

17. Jordan-USSR: King Husayn has sounded out the USSR for technical and financial aid. [REDACTED]

[REDACTED] Husayn has already indicated he may also ask for Soviet arms if he cannot get enough from the West. [REDACTED]

18. Libya: Some of the pressure for early evacuation of Western bases may be easing.

The King has told Ambassador Lightner that in a few months a new, more pliable parliament will be elected to replace the one which has urged the US-UK ouster. [REDACTED]

While these are hopeful signs, it is almost certain that if the negotiations become too prolonged, the pressure will again start to build. [REDACTED]